

STATE PROPERTIES COMMITTEE MEETING

TUESDAY, SEPTEMBER 16, 2008

The meeting of the State Properties Committee was called to order at 10:01.m. by Chairman Robert Griffith. Other members present were John Ryan representing the Rhode Island Department of Administration; Richard Woolley representing the Rhode Island Department of Attorney General; Robert W. Kay and John A. Pagliarini, Jr., Public Members and Xaykham Khamsyvoravong representing the Rhode Island Office of the General Treasurer, Ex-officio Member. Others in attendance were Charles Donovan from the Rhode Island House of Representatives; Robert C. Bromley from the Rhode Island Senate Fiscal Office; Maureen McMahon, Colleen Kerr and Leroy Archibald from the Rhode Island Department of Transportation; Hope Schachter from the Rhode Island Board of Governors for Higher Education; David Smith and Michael Walsh from Rhode Island Emergency Management Agency; Arn Lisnoff from the Rhode Island Department of Administration; Lisa Primiano from the Rhode Island Department of Environmental Management and Nicolas Long and Paul Forte from Rhode Island College.

Chairman Griffith noted for the record that the State Properties Committee did have a quorum present.

A motion was made to approve the regular minutes of the State Properties Committee meeting held on Tuesday, August 19, 2008, as amended, by Mr. Pagliarini and seconded by Mr. Woolley.

Passed Unanimously

The next scheduled meeting of the State Properties Committee will be held on Tuesday, September 30, 2008, at 10:00 a.m.

ITEM A -Department of Administration -A request was made for approval of and signatures on a Grant of Easement by and between the Department of Administration and The Narragansett Electric Company for access onto State-owned property located on the northerly side of Danielson Pike in the Town of Scituate. Mr. Ryan recused himself from par taking in any discussion and from voting relative to this item as he indicated he is employed by the Department of Administration, Division of Capital Projects and Property Management from which this request originated. Chairman Griffith duly noted Mr. Ryan's recusal relative to said item for the record. Mr. Lisnoff apologized for the delay in this item actually being presented to the State Properties Committee in its final form and for any inconvenience this delay may have caused. Mr. Lisnoff explained that this is a standard Grant of Easement, which has been approved by all parties save for the State Properties Committee for a right-of-way for the installation of electrical service for the State Police Headquarters located on Danielson Pike in the Town of Scituate. A motion was made to approve by Mr. Woolley and seconded by Mr. Pagliarini. The motion passed three votes "Aye" with one recusal.

Three Votes "Aye"

Mr. Pagliarini
Mr. Woolley
Chairman Griffith

One Recusal

Mr. Ryan

ITEM B – Office of the Adjutant General /Rhode Island Emergency Management Agency -A request was made for approval of and signatures on a Memorandum of Agreement and Site License Agreement by and between the Office of the Adjutant

General; Rhode Island Emergency Management Agency ("RIEMA") and the City of Pawtucket Housing Authority to allow RIEMA to build a 800 megahertz communication tower in the City of Pawtucket. In regard to Items B and C, Mr. Smith indicated that both the Town of North Smithfield and the City of Pawtucket have executed the subject Agreements to allow RIEMA to construct communication towers on a total of approximately twenty seven (27) sites. The Town of North Smithfield and the City of Pawtucket have agreed to bear the electrical costs for each site. Mr. Smith indicated that said Agreements include language, which states that when available the Rhode Island Emergency Management Agency will provide equipment training. Mr. Smith stated that both the North Smithfield and Pawtucket sites are important to the Rhode Island Emergency Management Agency's ability to continue to build out the planned infrastructure in order to provide the necessary emergency coverage across the State of Rhode Island. Mr. Smith indicated that it is anticipated that the infra-structure will be complete by February of 2009. At that time, the Rhode Island Emergency Management Agency then intends to complete the transition of the Rhode Island State Police onto the network in March of 2009. Mr. Smith indicated that the Rhode Island Sheriffs Department is already part of the system. Mr. Pagliarini asked if both the University of Rhode Island and the Community College of Rhode Island sites, previously considered and approved by the State Properties Committee, are also part of said infra-structure. If so, Mr. Pagliarini asked if the Rhode Island Emergency Management Agency intends to prepare some sort of standard Memorandum of Agreement and Site License Agreement in order to avoid the necessity of the State Properties Committee approving some twenty three (23) additional sites. Mr. Smith indicated that all of the Memorandum of Agreements

and Site License Agreements are basically a standard document. The East Greenwich Fire District has requested that its document be prepared as a Lease Agreement rather than a Memorandum of Agreement and Site License Agreement. However, the terms and conditions of said Lease Agreement will essentially be identical to the other agreements. Mr. Ryan asked if the Rhode Island Emergency Management Agency has identified all twenty seven (27) sites in order to make the system operational. Mr. Smith indicated that the Rhode Island Emergency Management Agency has identified all twenty-seven (27) sites. Mr. Ryan clarified that March of 2009, is the target date to have all twenty seven (27) agreements secured and the system fully operational. Mr. Smith indicated that March 2009, is the intended target date. Mr. Smith explained that the system began in the heart of the Town of Narragansett. Therefore, many of the Memorandums of Understanding relative to this project exists between the Town of Narragansett and the other communities. Mr. Smith stated that one of Mr. Walsh's challenges will be to amend said agreements and ultimately create an agreement naming the State of Rhode Island as a party rather than the Town of Narragansett. A motion was made to approve by Mr. Pagliarini and seconded by Mr. Kay.

Passed Unanimously

ITEM C -Office of the Adjutant General; Rhode Island Emergency Management Agency -A request was made for approval of and signatures on a Memorandum of Agreement and Site License Agreement by and between the Office of the Adjutant General Rhode Island Emergency Management Agency (RIEMA) and the Town of North Smithfield to allow RIEMA and the RI Statewide Communications Network (RISCON) to build a 800 megahertz communication tower in the Town of North Smithfield. A

motion was made to approve by Mr. Pagliarini and seconded by Mr. Woolley. Mr. Pagliarini noted that the Memorandum of Agreement references the Town of North Providence several times throughout the document rather than the Town of North Smithfield and suspects this is an error caused by an attempt to modify an existing document with the Town of North Providence; however, the documents is intended to reference the Town of Smithfield only. Mr. Smith indicated that the references to the Town of North Providence are actually intentional as the Town of North Providence was awarded a federal grant to include three (3) additional sites. As this grant project originated as a result of the said grant, the references to the Town of North Providence are accurate. However, Mr. Smith indicated that as he can certainly understand how the wording of the document causes confusion, and going forward he will do his best to ensure future documents are modified to clarify the references of certain municipalities. A motion was made to approve was made by Mr. Pagliarini and seconded by Mr. Woolley.

Passed Unanimously

ITEM D -Board of Governors for Higher Education -A request was made for approval of and signatures on a License Agreement by and between the Board of Governors for Higher Education, acting on behalf of Rhode Island College and MetroPCS Massachusetts, LLC for a proposed antenna placement on the Rhode Island College Campus. Mr. Long indicated that that language of the License Agreement before the State Properties Committee is essentially identical to an agreement previously approved by the Committee in 2006, involving Nextel Communications. Mr. Forte indicated that Metro PCS Massachusetts, LLC approached Rhode Island College when

the new Residents Hall was completed and requested permission to place an antenna on said building. Mr. Forte indicated that the License Agreement is for a term of ten (10) years with a fee of \$2,400 per month. Mr. Pagliarini asked why the revenue realized as a result of this License Agreement is allocated to Rhode Island College rather than to the General Fund of the State of Rhode Island. Mr. Forte explained that Rhode Island College is obligated to pay back two thirds of the \$30 million dollar GEO Bond that funded the construction of the new Residents Hall. Therefore, the bond is the general obligation of the State of Rhode Island; however, Rhode Island College has entered into a separate agreement with the State of Rhode Island whereby the college is obligated to pay back \$20 million dollars to the State of Rhode. Mr. Kahmsyvoravong asked if said revenue stream was anticipated in the initial issuance of the bond. Mr. Forte stated that this is additional revenue not anticipated relative to the initial issuance of the bond. Mr. Long explained that there is an auxiliary enterprise that is operating the building. Mr. Forte stated that Rhode Island College is attempting to generate as much revenue as possible. Mr. Pagliarini again asked why said revenue is not allocated to the General Fund rather than allocated to Rhode Island College to be spent at its discretion. Mr. Long reiterated that income generated by an auxiliary enterprise returns to the College to facilitate its ability to meet the statutory requirement of being self supporting. Mr. Kahmsyvoravong indicated that he assumes the Budget Office is aware that this revenue stream will be created as a result of this Agreement. Mr. Forte explained that Rhode Island College will include said revenue in its revenue stream for auxiliaries when it reports its budget for the upcoming year. Mr. Kahmsyvoravong indicated that how the revenue is allocated is an issue best left up to the discretion of the Budget Office. Mr.

Griffith asked if the Agreement included a provision, which provides for additional fees to be paid to the College if additional antennas are placed on the building. Mr. Long indicated that the Agreement does contain a provision regarding additional fees for the placement of additional antennas and/or equipment. Further, the Agreement prohibits the Lessee from adding elements to its antenna, which will increase the amount of revenue without first presenting any such proposal to Rhode Island College for its consideration and approval. The Agreement stipulates that the Lessee is required to pay a percent of any additional revenue generated from the placement of additional equipment and/or the modification of the existing equipment to Rhode Island College. Mr. Pagliarini asked if the Agreement contains a provision whereby the College can allow another entity such as the Rhode Island Emergency Agency to place an array on the site at no charge. Mr. Long indicated that the Agreement contains language addressing both non-interference and non-exclusive use issues. Mr. Pagliarini stated that he presumes a great deal of attention was paid to the aesthetics of the newly constructed Residence Hall building and asked if any consideration has been given to the aesthetics of the tower as well. Mr. Smith indicated that the President of Rhode Island College is tremendously concerned with the aesthetics of the building and therefore, spent a great deal of time reviewing the proposed design of the tower to ensure it would not detract from the appearance of the building. A motion to approve was made by Mr. Pagliarini and seconded by Mr. Ryan.

Passed Unanimously

ITEM E -Department of Environmental Management -A request for conceptual approval for the acquisition of development rights to two (2) lots consisting of approximately 4,225 square feet located in the City of Providence. Ms. Primiano

illustrated the exact location of the subject parcels of land using a site map. Ms. Primiano explained that over the past several years, the Department of Environmental Management's Acquisition Program has awarded a small grant to Southside Community Land Trust to help support the continuation of its community garden and farm programs. Ms. Primiano indicated that in some cases the land consists of very small city lots, which have been farmed by low-income families within the community for many years. The subject property consists of two lots, which abut Somerset Garden Property. Ms. Primiano explained that the Southside Community Land Trust has approached the property owners who have agreed to sell these lots. The Department of Environmental Management has offered to assist the Trust in purchasing these lots in exchange for development rights over the property. Ms. Primiano indicated that once all necessary due diligence is completed relative to the property, the Department of Environmental Management will return to the Committee for final approval. A motion to approve was made by Mr. Pagliarini and seconded by Mr. Woolley.

Passed Unanimously

ITEM F -Department of Environmental Management -A request for approval of and signatures on a Purchase and Sale Contract for the purchase of approximately 40 acres of land located in the Town of Hopkinton; known as the Goff Property. Ms. Primiano explained that the request before the Committee is for permission to purchase 40 acres of land, which is actually a portion of a larger 60 acre lot that abuts the Arcadia Management Area. Ms. Primiano indicated that over the years, the Department of Environmental Management has been looking to expand the Arcadia Management Area. The subject property came to the Department of Environmental Management's attention

as a result of an effort made approximately ten (10) years ago, when the Department contacted a number of land owners in the area and requested that they contact the Department in the event they were interested in selling their property. Ms. Primiano indicated that originally the owner of the subject property wished to sell an easement over the property only. The Department explained to the property owner that it was seeking fee ownership to property abutting the Arcadia Management Area. An appraisal of the subject property was conducted. The Department felt the appraised value of the land was rather high and entered into negotiations with the owner who agreed to sell the property for fifty 50% of the appraised value, which equates to \$4,500 per acre. Ms. Primiano indicated that the Department will have 60 foot of frontage on the main road, which will increase its existing access into the Arcadia Management Area. The acquisition will be funded 100% by bond funds. A motion was made to approve by Mr. Pagliarini and seconded by Mr. Ryan.

Passed Unanimously

ITEM G -Department of Environmental Management -A request was made for approval of and signatures on an Option for the purchase of Real Estate to accompany the acquisition of 127 acres of land located in the Town of Gloucester; known as the Purvis Property. Ms. Primiano stated that the State Properties Committee approved the Warranty Deed for the purchase of the subject property at the meeting of September 2, 2008. Ms. Primiano explained that the Department of Environmental Management has been working with the local land trust on this and many other acquisitions for several years. Ms. Primiano indicated that The Gloucester Land Trust is very active in The Town of Gloucester and wished to partner with the Department of Environmental Management

relative to this transaction. The Department agreed to the partnership and The Gloucester Land Trust subsequently provided the funding for the appraisal of the property and will be assisting to coordinate the subject transaction. Therefore, in exchange for funding the appraisal and for its efforts relative to this transaction, the Department of Environmental Management agreed to grant them the subject Option for the Purchase of Real Estate.

Ms. Primiano stated that there is very little possibility that the State of Rhode Island will ever actually sell the property; however, this document grants The Gloucester Land Trust the right of first refusal in the event the State of Rhode Island does at some point in time decide to sell the subject property. Ms. Primiano indicated that after investing its time and money, The Gloucester Land Trust simply wishes to protect said investment. The Department of Environmental Management is not in anyway opposed to granting the Option for the Purchase of Real Estate and does not believe it will affect the value of the property in the future. Mr. Ryan indicated that it is his understanding that if a property is purchased with bond funds, the State of Rhode Island cannot sell it. Ms. Primiano indicated that she would defer that question to the Bond Council; however, she does believe that there have been instances when the State of Rhode Island has at least considered selling land that was purchased with State Bond Funds. However, the revenue received would have to be returned to the Bond Fund. Mr. Ryan asked if the property would have to remain open space in the event it was sold. Ms. Primiano indicated that she believes it would have to remain open space if sold. Mr. Pagliarini asked if his understanding of the circumstances involving the Option to Purchase Real Estate is correct: "The Department of Environmental Management wished to reimburse The Gloucester Land Trust for time expended and for certain expenses and they are

requiring the State of Rhode Island to grant them the right of first refusal/the Option."

Ms. Primiano explained that The Gloucester Land Trust offered to assist the Department in acquiring the subject parcel. Ms. Primiano indicated that the Department of Environmental Management often declines offers of assistance from municipalities as there are too many strings attached. However, in this instance, because the Department has worked with The Gloucester Land Trust on myriad land acquisition projects where it has come to the table with substantial amounts of money to assist the Department, the Department felt that granting the Option to Purchase Real Estate was a fair and equitable means of reimbursing the Trust for its effort with regard to this project and countless others. The Gloucester Land Trust did not wish to be named on the Warranty Deed and clearly did not wish to have any ownership rights, whatsoever, to any portion of the property. Therefore, the Department believes granting the Town of Gloucester the Option to Purchase Real Estate was a small price to pay in view of the years of effort and assistance on the part of both the Department and the Trust and in view of the \$17,000 contribution toward the cost of the survey. Mr. Pagliarini stated that he certainly understands the Department's position; however, he is concerned that the Department of Environmental Management may be setting a precedent whereby the Town of Gloucester may now feel entitled to require a right of first refusal relative to any purchase of land located in the Town of Gloucester. Ms. Primiano responded with an unequivocal "no." Ms. Primiano indicated that this was a unique situation and the Department of Environmental Management could have easily declined the Trust's request; therefore, she does not believe this one concession will in anyway be precedent setting. Ms. Primiano believes the Gloucester Land Trust is genuinely grateful for the Option to Purchase Real

Estate and will not interpret the same as some sort of precedent. Mr. Pagliarini thanked Ms. Primiano for her explanation of the Department's decision to grant the Option to Purchase Real Estate. A motion was made to approve by Mr. Woolley and seconded by Mr. Kay.

Passed Unanimously

ITEM H-Department of Environmental Management -A request for approval of and signatures on a Purchase and Sale Contract for the acquisition of 128 acres of land located on Prudence Island; known as the Ballard Property. Ms. Primiano illustrated the exact location of the subject property utilizing a site map. The Department of Environmental Management has been working on this acquisition for a number of years. Ms. Primiano explained that there is a very active land protection program on Prudence Island and the subject property came to the Department of Environmental Management as the result of a mass mailing to key property owners informing them that the Department is interested in ensuring their land is preserved. The property was appraised and the value was determined to be \$1,400,000. The purchase price of said property is \$1,375,000. NOAA's Coastal and Estuarine Land Conservation Program will contribute \$1,075,000. The Prudence Conservancy will contribute \$100,000, and \$200,000 will come from the Department of Environmental Management's Open Space Bond. Mr. Ryan asked who manages the property. Ms. Primiano indicated that the Department of Environmental Management has a reserve manager on site as well as personnel, which is provided through the Audubon Society. Ms. Primiano indicated that public access to Prudence Island has been tremendously increased. Prudence Island now has organized bicycle rides as well as hosts a "Family Day." Mr. Pagliarini asked what the Department

believes could potentially be developed on the 128 acres of land; what is the Island's true threat to development. Ms. Primiano indicated that there is a substantial amount of development and redevelopment of residential homes. Ms. Primiano indicated that the Department sometimes struggles to determine real estate values on Prudence Island because it is a different market and attracts a different population than say that of some of the more accessible islands such as Jamestown. Ms. Primiano stated that there is a year-round population as well as a large summer population which is increasing over time . The Department believes that the land is very developable and is concerned that over time lots will be subdivided and sold for residential development. A motion was made to approve by Mr. Woolley and seconded by Mr. Kay.

Passed Unanimously

ITEM I -Department of Environmental Management -A request for approval of and signatures on a Conservation Easement over two (2) tracts of land consisting of approximately 52 acres located along Elbow Rock Road in the Town of Gloucester; known as the Hammond Property. Ms. Primiano indicated that this is another partnership acquisition between the Department of Environmental Management and the Gloucester Land Trust. Ms. Primiano illustrated the exact location of the subject properties utilizing a site map. Ms. Primiano indicated that the Gloucester Land Trust has been negotiating with Mr. Hammond for quite some time and was able to negotiate what the Department believes is a very reasonable purchase price for the subject properties. The Gloucester Land Trust approached the Department of Environmental Management for assistance with purchasing the subject property. The Department is contributing fifty (50%) percent of the properties' value and in exchange for said assistance The Gloucester Land Trust is

granting the Department a Conservation Easement over the property. A motion was made to approve by Mr. Pagliarini and seconded by Mr. Woolley.

Passed Unanimously

The Committee moves to go into Executive Session, pursuant to Rhode Island General Law 42-46-5(a)(5) for the specific purpose of discussion or consideration related to the acquisition or lease of real property for public purpose, or of the disposition of publicly held property wherein advanced public information would be detrimental to the interest of the public.

A motion was made to enter into Executive Session by Mr. Woolley and seconded by Mr. Ryan. A roll call vote was taken and the votes were as follows: Mr. Ryan voted "Aye", Mr. Pagliarini voted "Aye", Mr. Woolley voted "Aye"; Mr. Kay voted "Aye" and Chairman Griffith voted "Aye".

The State Properties Committee closed the Executive Session and returned to the open session at 10:49 a.m.

ITEM E1 -Department of Transportation -A request for authorization for the Department of Transportation to acquire land and easements for the replacement of the Wyoming Bridges in the Towns of Richmond and Hopkinton by virtue of Condemnation Plat 2568. After discussion in executive session, a motion was made to approve by Mr. Woolley and seconded by Mr. Kay.

Passed Unanimously

ITEM E2 -Department of Transportation -A request for authorization for the Department of Transportation to acquire property for the Apponaug Circulator Improvements Project by virtue of Condemnation Plat 2706. After discussion in executive session, a motion was made to approve by Mr. Woolley and seconded by Mr. Ryan. The motion to approve passed four votes "Aye" to one vote "Nay".

Three votes "Aye"

Mr. Woolley
Mr. Ryan
Mr. Kay
Chairman Griffith

One vote "Nay"

Mr. Pagliarini

There being no further business to come before the State Properties Committee, the meeting was adjourned at 10:59 a.m. A motion was made to adjourn by Mr. Woolley and seconded by Mr. Ryan.

Passed Unanimously

Holly H. Rhodes, Executive Secretary